# QUESTIONNAIRE ON COMPILATION PRATICES AND REGULATORY FRAMEWORK OF THE REMITTANCE MARKET IN THE MIDDLE EAST COUNTRIES

**Country:       Name of Institution:**

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The United Nations Economic and Social Commission for Western Asia (ESCWA) and the Middle East Regional Technical Assistance Center (METAC) are organizing a workshop for balance of payments compilers of METAC and Gulf countries, specifically dedicated to the compilation of workers’ remittances. The workshop will take place in Amman, on April 24–25, 2013.

Two workshops for METAC member countries were organized jointly by METAC and Banque du Liban in March 2009 and in November 2011 to foster improvements in the compilation of remittances. Participants of the second workshop were requested to fill in a questionnaire setting out the compilation practices and regulatory framework of the remittances market in their country, and providing a geographical breakdown of national data on remittances to allow bilateral comparisons and identification of asymmetries between partner countries, and thus improve respective estimates. It appeared, however, that most of the participating countries are receivers, rather than senders, of remittances and that further insight could be gained from a new workshop with the participation of Member Countries of the Gulf Cooperation Council (GCC), where most of the remittances to the METAC area originate from. The workshop is hoped to be mutually beneficial to compilers of METAC and GCC countries.

The following questionnaire should be sent simulteanously to the External Sector Section of the Banque du Liban ([csaadeh@bdl.gov.lb](mailto:csaadeh@bdl.gov.lb) ) and METAC ([jgaland@imf.org](mailto:jgaland@imf.org) ) by **March 22, 2013.**

# SECTION I

# REPORTING CONVENTIONS

1. Data source(s) must be indicated at the foot of each table. Any additional comment or explanation can be added as a footnote at the end of the corresponding table.
2. Statistics must be expressed in millions of United States dollars (USD).
3. Values must be converted into dollars using the average exchange rate for the reference period (year).
4. Indicate "n.a" for not available statistics and "n.p" for non-applicable.

# SECTION II

**I. CONCEPTS AND INSTITUTIONAL FRAMEWOK**

**Table 1**: for each table item, indicate with X, if you are follow the IMF´s *Balance of Oayments Manual, fifth edition (BPM5)* concept as listed below:

1. **Workers’ remittances**: current transfers made by migrants employed in an economy where they are considered resident. Workers’ remittances include only those transfers made by workers that stay in a foreign economy for at least one year.
2. **Current Transfers:** Donations conducted by non residents to residents of an economy, in cash or in kind, by reasons of natural disasters, wars etc, or as gift, inheritance, religious donation, among others.
3. **Compensation of Employees:** wages, salaries and other compensations (in cash or in kind) earned by nonresident individuals for work performed for residents of your economy. Nonresident workers are seasonal or cross border workers who live and work in your economy for less than one year.
4. **Migrant Transfers:** flows and transfers arising from change of residence of individuals from one economy to another economy for at least one year.
5. **Others:** If the data are reported according to different concepts, please explain the differences and the coverage.

|  |  |
| --- | --- |
| Table 1: | According to BPM5 |
| a. Workers’ remittances |  |
| b. Current transfers |  |
| c. Compensation of employees |  |
| d. Migrant transfers |  |
| e. Other, explain |  |

Table 2: The purpose of the table is to describe the institutional framework that supports the Central Bank remittances compilation task. If there are no regulations, but there is an interinstitutional agreement that assures the central bank access to information, please indicate. Describe the remittance concept that the norm or law uses, or indicate if this is not the case. If you wish to add some additional commentary, you can do it at the end of the table.

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| Table 2 | **General description** |
| 1. Is there a specific or general law or regulation that rules the remittances market and the remittances services providers (RSP)? |  |
| 1. Who are the agents authorized to participate in the local remittances market as RSP (banks, money transfers operators, etc) |  |
| 1. What are the agents that work as RSP but are not authorized by the regulation? |  |
| Additional Comments: |  |

Table 3: Please describe the requirements established by law or norms for the RSP to operate in the local market. If there are no specific norms that rule the RSPs activity, or there are only general regulations applied to the banking and financial activity, please indicate according to the convention established in section I.

|  |  |
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| Table 3 | **General description** |
| **What are the regulatory requirements to be met by a RSP to operate in the remittances market?** |  |
| 1. Register with a governmental entity |  |
| 1. Authorization and supervision provided by a governmental entity |  |
| 1. Other (please, specify) |  |

Table 4**:** Identify the institution (institutions) responsible for the regulation and supervision of the RSP in the local market and the regulation, if there are some, that rule their activity. For example, if the entity that regulates them is different from the one that supervises them, it is important to indicate it. This topic helps to assess the degree of formalization of the remittances market.

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| Table 4 | **General description** |
| **What is the institution in charge of the regulation and supervision of the RSP and how does it perform this function?** |  |

Table 5**:** Please identify the institution(s) that receives information about remittances flows and the instrument used to capture this information**.**

|  |  |
| --- | --- |
| Table 5 | **General description** |
| **Is there any legal obligation to report the remittances flows?** | |
| **A. Central Bank** | |
| 1. Is there a standarized report (ITRS) |  |
| 1. Is there other specific survey? |  |
| **B. Governmental institution** | |
| 1. survey |  |
| 1. other standarized report |  |
| 1. Does the Central bank have access to these reports? |  |
| **C. No report to any institution** |  |

Table 6**:** Please indicate if remittances flows are estimated considering all the transactions or based on a threshold.

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| --- | --- |
| Table 6 | **General description** |
| **Is there any threshold** **applied to the report of remittances flows?** |  |

Table 7**:** Please describe if the access to the statistical information on remittances by the Central bank or any other governmental organization is protected by some law or norm and if the violation to this law or norm implies some sanction.

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| Table 7 | **General description** |
| **In the case of no report, what sanction is provided by the regulation?** |  |

# SECTION III

# MAIN CHARACTERISTICS OF THE REMITTANCES MARKET

Table 8**:** Please indicate with an X what information you receive and its periodicity. If the data used for the estimation of remittances in the balance of payments are received on a consolidated basis, it is likely that there is no information about date, currency and country of remittances, so it should be explained in the Table.

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| **Table 8** | **YES/NO** | **Frequency**  **(D) daily, (M) monthly, (Q) quarterly, (B) biannual, (A) annual** |
| Remittances transactions (total amount ) |  |  |
| Remittances transactions (number) |  |  |
| Average value of an indivual remittance |  |  |
| Original currency of the remittance |  |  |
| Foreign exchange rate applied to the remittances convertion to local currency |  |  |
| Date of receipt or sending of the remittance |  |  |
| Country of origin (destination) |  |  |
| Recipient (remitter) name |  |  |
| Remittances frequency |  |  |
| Other? Please specify. |  |  |

Table 9**:** The purpose of this table is to know the sources of information used by the Central Bank for the calculation and/or estimation of the remittance flows. Please note that the sum of the shares must add up to 100%, as shown in the last row of the Table. Please mention at the bottom of the table source of information used for this response and the period of reference\*.

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| --- | --- |
| **Table 9** | **Distribution *(in percentage)*** |
| Banking system reports (ITRS) |  |
| Other RSP reports (not included in ITRS) |  |
| Other data sources such as models (please explain the main facts of the methodology) |  |
| Households surveys (please describe coverage, periodicity and statistics compiled through households surveys) |  |
| Other reports, please specify. |  |
| **Total** | **100%** |
| **Reference\*** |  |

**Table 10:** The purpose of this table is to know the structure of the remittance flows by modality of sending. Please mention at the bottom of the table the source of information and the reference period used in the calculation of participations. If estimates are made, indicate the methodology applied for it.

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| Table 10**: Does the Central bank know the modalities of the remittances flows?** | **YES/NO** | **Distribution**  ***(in percentage)*** |
| Electronic funds transfers |  |  |
| Prepaid funds (prepaid cards, money orders, banker's draft) |  |  |
| Credit cards |  |  |
| Remittances in cash |  |  |
| Remittances in kind |  |  |
| Other, please specify. |  |  |
| **Total** |  | **100%** |

**Table 11:** The purpose of this table is to know the structure of the remittance market by type of RSP. Please mention at the bottom of the table the data source used for this response and the reference period. An MTO is a financial company (not bank) engaged in cross-border transfer of funds.

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| Table 11**: What are the RSP participants (channels) in the remittances transactions in the local market?** | **YES/NO** | **Distribution**  ***(in percentage)*** |
| Banks |  |  |
| Foreign exchange bureaus |  |  |
| Other financial institutions |  |  |
| Post offices |  |  |
| Courier company |  |  |
| Money Transfers Operators (MTO) |  |  |
| Informal channels |  |  |
| Others, please specify |  |  |
| **Total** |  | **100%** |

**Table 12:** The purpose of this table is to characterize the structure of the remittance market in terms of payment formats used to deliver remittances. Please mention at the bottom of the table the data source used for this response and the reference period.

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| --- | --- | --- |
| Table 12**: What formats of paymernt systems are used to deliver remittances in the local market?** | **YES/NO** | **Distribution**  **(in percentage)** |
| Cash |  |  |
| Checks |  |  |
| Account to account transfer |  |  |
| In kind |  |  |
| Others, please specify |  |  |
| **Total** |  | **100%** |

**Table 13:** The purpose of this table is to know the structure of the remittance market by remittance channel. ***Formal remittances channels*** are defined as those officially authorized to operate in the money transfer business, such as banks, money transfer operators, other officially registered institutions (RCG, paragraph 2.18). ***Semi formal remittances channels*** are the formal institutions providing money transfer services outside the regulatory mechanism of the country authorities. These institutions are not controlled by any financial services regulatory authority. ***Informal remittances channels*** are remittances providers that are outside of financial regulation and supervision but often legal.

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| Table 13: **What is the percentage of the remittances flows transacted through formal and informal channels?** | **YES/NO** | **Distribution**  ***(in percentage)*** |
| Formal channels |  |  |
| Semi formal channels |  |  |
| Informal channels |  |  |
| **Total** |  | **100%** |

|  |  |  |
| --- | --- | --- |
| Table 14**: Remittances transaction costs.** | **YES/NO** | **What kind of information?** |
| Do you have any information about cost of sending or receiving remittances? |  |  |

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| --- | --- |
| Table 15: **Cross check process** | **General description** |
| What validation process to estimate the remittances flows is applied by the compiling agency? |  |
| Are the mirror statistics of the main receipient (sending) countries used in the validation process? If not, Why ? |  |

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| Table 16: Suggestions | **General description** |
| What are the main challenges to defining and measuring remittances? |  |

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| Table 17**: Migrant flows.** | **General description** |
| 1. Number of migrants living abroad |  |
| 1. Main countries of migration destination (origin). |  |
| 1. Main characetristics of the migrants: age, distribution by genre, educational level, migration status (legal, illegal, refugee, other). |  |
| 1. Economic activity of the migrant and economic sector |  |
| 1. Average income of the migrant |  |

# SECTION IV

# COMPLEMENTARY STATISTICS: ECONOMIC DATA AND MIGRATION INFORMATION

Table 18 - **Remittances received from Abroad by Country of Origin**

in millions of USD

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2009** | **2010** | **2011** | **2012** |
| Top Ten countries |  |  |  |  |
| 1- |  |  |  |  |
| 2- |  |  |  |  |
| 3- |  |  |  |  |
| 4- |  |  |  |  |
| 5- |  |  |  |  |
| 6- |  |  |  |  |
| 7- |  |  |  |  |
| 8- |  |  |  |  |
| 9- |  |  |  |  |
| 10- |  |  |  |  |
| 11- Other Arab countries |  |  |  |  |
| 12- Other countries |  |  |  |  |
| 13- Total |  |  |  |  |

Table 19 - **Remittances sent to Abroad by Country of Destination**

in millions of USD

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2009** | **2010** | **2011** | **2012** |
| Top Ten countries |  |  |  |  |
| 1- |  |  |  |  |
| 2- |  |  |  |  |
| 3- |  |  |  |  |
| 4- |  |  |  |  |
| 5- |  |  |  |  |
| 6- |  |  |  |  |
| 7- |  |  |  |  |
| 8- |  |  |  |  |
| 9- |  |  |  |  |
| 10- |  |  |  |  |
| 11- Other Arab countries |  |  |  |  |
| 12- Other countries |  |  |  |  |
| 13- Total |  |  |  |  |

Table 20**: Additional Data**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Values (In Millions US$)** | |  |
|  | **2010** | **2011** | **2012** |
| **Remittances income** |  |  |  |
| **Inflows** |  |  |  |
| **Outflows** |  |  |  |
| **Current Account (BOP)** |  |  |  |
| **Credit** |  |  |  |
| **Debit** |  |  |  |
| **Goods (BOP)** |  |  |  |
| **Exports** |  |  |  |
| **Imports** |  |  |  |
| **Goods & Services (BOP)** |  |  |  |
| **Credit** |  |  |  |
| **Debit** |  |  |  |
| **Income (BOP)** |  |  |  |
| **Credit** |  |  |  |
| **Debit** |  |  |  |
| **Current Transfers (BOP)** |  |  |  |
| **Credit** |  |  |  |
| **Debit** |  |  |  |
| **Net inflows of foreign direct investment(BOP)** |  |  |  |
| **National income (current value)** |  |  |  |
| **GDP current value** |  |  |  |
| **Total population (per Million)** |  |  |  |

**Note**: Remittances include Compensation of employees + Current Transfers- Other sector + Capital Transfers- Other sector.